



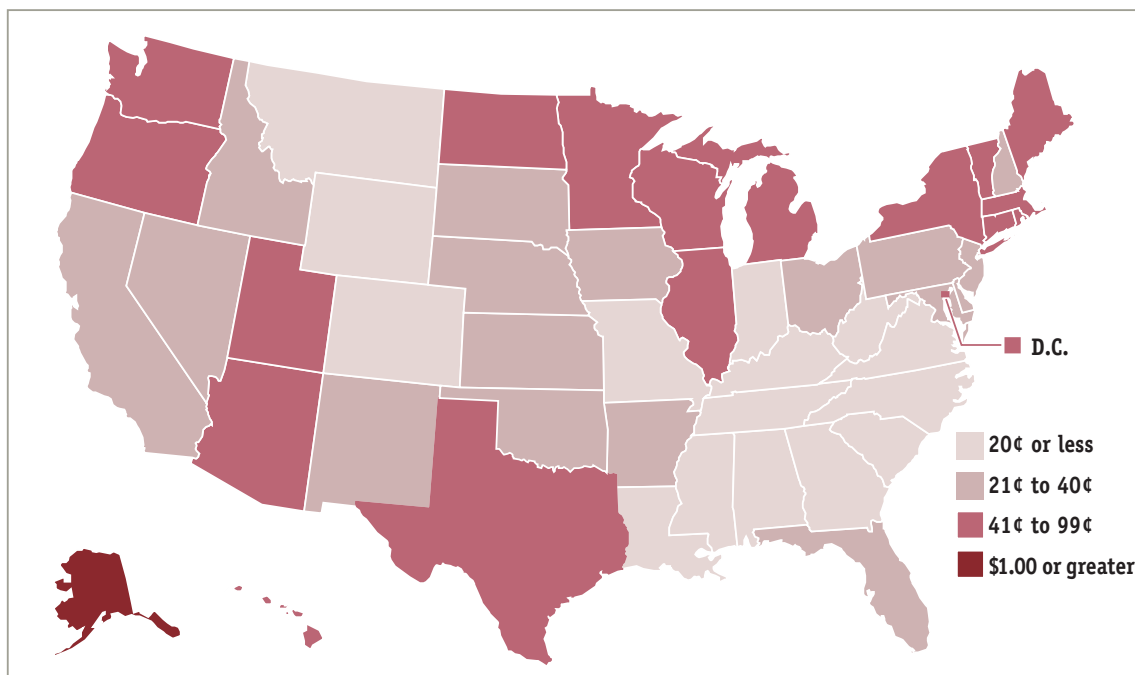
State Cancer
Legislative
Database Program

CIGARETTES, CHEWING TOBACCO, & SNUFF: STATE EXCISE TAX LAWS

FACT SHEET

MAY 1998

Excise Tax Rate Per Pack of Cigarettes (Legislation Enacted Through December 1997)



Excise Taxes Trends

All 50 states and the District of Columbia impose excise taxes on cigarettes. Six states amended their tax rates during 1997. At the end of 1997, state excise tax rates ranged from 2.5 cents per pack in Virginia to \$1.00 per pack in Alaska, with an average rate of 37.3 cents per pack nationwide.

Forty-two states impose excise taxes on chewing tobacco and snuff. Forty states tax a percentage of the wholesale price, manufacturer's selling price, or list price, or tax at a rate proportional to the cigarette tax. Only two states, Alabama and Arizona, tax according to weight, ranging from 0.5 cents to 6.5 cents per ounce. Alaska, Massachusetts, and Washington are among the states with both the highest cigarette excise tax rate and the highest (percentage) excise tax on chewing tobacco and snuff purchases. States with the lowest cigarette excise tax (Georgia, Kentucky, North Carolina, South Carolina, Virginia, and Wyoming) either do not impose an excise tax on chewing tobacco and snuff or have enacted the lowest (percentage) excise tax on chewing tobacco and snuff purchases.

Dedicated Excise Taxes

Twelve* states have enacted legislation requiring a portion of cigarette excise taxes to be dedicated to cancer or tobacco control programs or funds. Two of these states, Utah and Maine, enacted their provisions during 1997. Utah appropriated \$250,000 from the state's 50-cent cigarette tax increase to a tobacco prevention and control media campaign targeted towards children. Maine established the Tobacco Tax Relief Fund and requires that all cigarette tax revenue be transferred to the Fund for allocation to the Tobacco Prevention and Control Program, which is directed towards youth and the public. Ten other states continue their previous designation of tax dollars for similar purposes.

*Although a portion of Arkansas' tax increase noted in S.B. 320 (1997) is to be dedicated to breast cancer research and control, the tax increase is not in effect during any fiscal year (such as 1997-98 and 1998-99) in which the state's General Assembly appropriates specified funds for this purpose. Accordingly, Arkansas is not included in this number.

Source: National Cancer Institute: State Cancer Legislative Database Program, Bethesda, MD, 1998.

Summary of State Excise Taxes on Cigarettes, Chewing Tobacco, and Snuff

(Updated through December 31, 1997)

State	Current Tax Rate on Cigarettes	Effective Year of Most Recent Tax Change	Current Tax Rate on Chewing Tobacco and Snuff	Effective Year of Most Recent Tax Change	Portion of Excise Tax Revenues Dedicated for Cancer or Tobacco Control Purposes
Alabama	16.5¢	1984	3/4¢ per ounce (chew) 1/2¢ per ounce (snuff)	1984	
Alaska	\$1.00	1997	75% of Wholesale Price	1997	
Arizona	58¢	1994	6.5¢ per ounce	1994	●
Arkansas ¹	31.5¢	1993	23% of Manufacturer's Sales Price	1993	
California ²	37¢	1994	29.37% of Wholesale Cost	1997	●
Colorado	20¢	1986	20% of Manufacturer's List Price	1986	
Connecticut	50¢	1994	20% of Wholesale Sales Price	1989	
Delaware	24¢	1991	15% of Wholesale Sales Price	1987	
District of Columbia	65¢	1993	None	N/A	
Florida	33.9¢	1990	25% of Wholesale Sales Price	1985	
Georgia	12¢	1971	None	N/A	
Hawaii	80¢	1997	40% of Wholesale Sales Price	1965	
Idaho	28¢	1994	40% of Wholesale Sales Price	1994	●
Illinois	58¢	1997	18% of Wholesale Price	1995	
Indiana	15.5¢	1987	15% of Wholesale Sales Price	1987	
Iowa	36¢	1991	22% of Wholesale Sales Price	1991	
Kansas	24¢	1985	10% of Wholesale Sales Price	1972	
Kentucky	3¢	1970	None	N/A	
Louisiana	20¢	1990	None	N/A	●
Maine	74¢	1997	62% of Wholesale Sales Price	1991	●
Maryland	36¢	1992	None	N/A	
Massachusetts	76¢	1996	75% of Wholesale Price	1996	●
Michigan	75¢	1994	16% of Wholesale Sales Price	1994	
Minnesota	48¢	1992	35% of Wholesale Sales Price	1987	
Mississippi	18¢	1985	15% of Manufacturer's List Price	1985	
Missouri	17¢	1993	10% of Manufacturer's Invoice Price	1993	
Montana	18¢	1993	12.5% of Wholesale Sales Price	1993	
Nebraska	34¢	1993	15% of Purchase Price	1988	●
Nevada	35¢	1989	30% of Wholesale Price	1983	
New Hampshire	37¢	1997	Percentage of Wholesale Price Proportional to Cigarette Tax Rate	1991	
New Jersey	40¢	1990	24% of Wholesale Price	1990	●
New Mexico	21¢	1993	25% of Product Value	1986	●
New York	56¢	1993	20% of Wholesale Sales Price	1993	
North Carolina	5¢	1991	2% of Cost	1992	
North Dakota	44¢	1993	28% of Wholesale Purchase Price	1993	
Ohio	24¢	1993	17% of Wholesale Sales Price	1993	
Oklahoma	23¢	1987	30% of Factory List Price	1985	
Oregon ³	68¢	1997	65% of Wholesale Sales Price	1997	●
Pennsylvania	31¢	1991	None	N/A	
Rhode Island	61¢	1995	20% of Wholesale Sales Price	1992	●
South Carolina	7¢	1977	5% of Manufacturer's Price	1968	
South Dakota	33¢	1995	10% of Wholesale Purchase Price	1995	
Tennessee	13¢	1969	6% of Wholesale Sales Price	1972	
Texas	41¢	1990	35% of Manufacturer's List Price	1990	
Utah	51.5¢	1997	35% of Manufacturer's Selling Price	1986	●
Vermont	44¢	1995	41% of Wholesale Price	1995	
Virginia	2.5¢	1966	None	N/A	
Washington	82.5¢	1996	75% of Wholesale Sales Price	1993	
West Virginia	17¢	1978	None	N/A	
Wisconsin	59¢	1997	20% of Manufacturer's List Price	1981	
Wyoming	12¢	1989	None	N/A	

1. Although a portion of Arkansas' tax increase noted in S.B. 320 (1997) is to be dedicated to breast cancer research and control, the tax increase is not in effect during any fiscal year (such as 1997-98 and 1998-99) in which the state's General Assembly appropriates specified funds for this purpose. Thus, no portion of the state's excise tax revenues are dedicated for cancer control purposes.

2. In California, the excise tax rate on chewing tobacco and snuff is set by the state Board of Equalization.

3. Through a 1996 voter initiative, Oregon increased its excise tax rate, effective 1997.